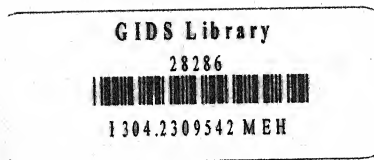


# Alternative Planning for Development of Uttarakhand

16

**G. S. Mehta**



1

304-2309542

MEH

**Institute of Development Studies**

**Sector O, Aliganj Housing Scheme  
LUCKNOW-226 024**

**1998**

ALTERNATIVE PLANNING FOR DEVELOPMENT  
OF UTTARAKHAND

1. U.P. Eco. Plan & Policies  
2. Eco. dev.

304.2309572  
MEH



G.S.Mehta

GIRI INSTITUTE OF DEVELOPMENT STUDIES  
Sector 'O', Aliganj Housing Scheme  
LUCKNOW 226 024

1998

# ALTERNATIVE PLANNING FOR DEVELOPMENT OF UTTARAKHAND

G.S.Mehta

## INTRODUCTION

Development planning in India is mostly carried out at the level of the states which are autonomous political and administrative entities with constitutional powers and functions. The national government plays a role, besides directly planning development of certain sectors of national and inter-state significance, in providing financial resources to support state plans and centrally sponsored programmes and regulations of the use of environmentally sensitive resources and of projects and activities that directly affect these resources (e.g. mining and road construction in hilly and mountainous areas). Therefore, the question whether the mountain specificities get reflected in development plans and programmes is to be examined primarily in relation to the state plans and their hill and mountain components.

Uttarakhand, a hilly and mountainous region, situated in central Himalayan Zone, forms a part of a predominantly flat land state, Uttar Pradesh, which again has most of its geographical area in the plains. The geographical area of Uttarakhand is 51.12 thousand sq. kms. which constitutes about 17 per cent of U.P. and 1.44 per cent of India.

According to 1991 Census, the population of the region was 5.93 millions, accounting for 4.26 per cent of state's and 0.7 per cent of country's population. In the context of studies on development of mountain areas, the region presents an interesting case in so far as it offers an opportunity to examine the possibilities, extent and approaches of incorporating specificities of conditions and problems of a small mountain area in the development planning that is mostly carried out as a part of planning for a larger area, at the national and state level. The experience in this case is expected to be entirely different from that of a relatively autonomous mountain region with political authority and independent responsibility for planning and development.

#### PATTERN OF ECONOMIC DEVELOPMENT

The economy of Uttarakhand is predominantly based on agriculture and its related activities. As a consequence, population in the region is mainly depending on agricultural activities both for livelihood and employment. But the agricultural economy is unable to provide regular and gainful employment opportunity to the labourforce and adequate income to the households which are engaged on it. Yet the pressure of population is consistently increasing on agriculture due to non-availability of employment and the sources of income generation outside agricultural economy. Thus, unprecedentedly



increasing trend of population and its addition to labourforce has resulted serious problem of unemployment and the incidence of poverty which ultimately compelling human resources to migrate outside Uttarakhand for seeking employment and income opportunities. The real challenge in planning for development of Uttarakhand has been recognised in terms of creating employment and income opportunities by introducing a comprehensive planning approach for developing various identified economic sectors which development have greater intensity of providing increasing level of employment opportunities with larger income generation potentials without posing any adverse impact on the local environmental and ecological system. However, the real impact of the introduction of various development programmes and approaches in the past plans has been visualised in terms of development of tertiary sector economies at certain extent. So the shift of labourforce from agricultural and industrial economic sector to tertiary sector has been well recognised during last couple of decades. But still, the agriculture sector is noticed providing employment opportunities to a largest proportion of 64.59 per cent workforce followed by tertiary sector 34.61 per cent as against less than one per cent by industrial sector. In absolute terms, the growth of workers in tertiary sector has been significantly much higher at 45.96 per cent as compared to agricultural sector (14.62 per cent) while it has declined at 28.74 per cent in industrial sector during 1981 and 1991.

The economy of the region has experienced a growth rate of only 2.4 per cent per annum as compared to 4.3 per cent for U.P. as a whole during Seventh Plan period. Per capita domestic output of Uttarakhand declined from Rs.1305 in 1984-85 to Rs.1014 in 1991-92. Accounting only for commodity producing sectors, agriculture including animal husbandry and fishery contributes about 67 per cent, manufacturing activities 20.08 per cent, forestry and logging 8.78 per cent and mining and quarrying 4.2 per cent in the net domestic output of Uttarakhand. During 1987-88 to 1991-92, the per capita net domestic output grew at the rate of only 0.98 per cent.

A need for initiating special planning efforts, in addition to those aimed at the development of the U.P. state as a whole, have been recognised for quite some time. This is reflected in separately earmarked allocation of funds in the State's Five Year Plans and Annual Plans, for different sectoral programmes in Uttarakhand, to begin with, and now in the preparation of a separate Uttarakhand Sub-Plan as part of the State's Plan. A separate Department of the State Government has been made responsible for the development of Uttarakhand and with a view to decentralising decision making and expediting execution of plan programmes, offices of this department have been located in the region. The national Government have also been providing special financial assistance to the state specifically for the development programmes of the region.

In spite of the availability of increasing larger funds and efforts at decentralisation, the region has remained underdeveloped and the growth of its economy has been relatively at much lower level than the state average. It is also not as if the region has no infrastructure facilities. Development of certain basic infrastructural facilities as available per thousand population has been carried out at much higher level than the state as a whole. The road network in the region has expanded significantly, though initially on security considerations, but later to meet the increasing demands from the local people and politicians. Of late, there seem to have been some slow down in road construction activity on account of the restrictions imposed under environmental policy. The environmental concern in respect of road building could be genuine in so far as deforestation, leading to several consequential environmental affects on land and water resources has assumed threatening proportions. The length of metalled roads per lakh of population in Uttarakhand is significantly much larger at 200.91 kms. as against 57.20 kms. for state level.

#### PLANNING FOR DEVELOPMENT

The region has been recognised as one of the backward and underdeveloped regions of India since the very beginning of the planning era. But, initial planning efforts did not reflect this recognition and, in fact, no need seems to have been felt for a separate development approach to this region.



Instead, both plain and hill areas were treated as part of a single framework of development. Some efforts towards providing special considerations for the development of Uttarakhand were made during the Third Plan period with the provision of a separate allocation of Rs.500 million for specific activities. Administratively during early seventies a decision was made by the Government to treat Uttarakhand as a special region from the view point of development planning. A department for Hill Area Development was created and this department was assigned the task of identifying potential areas of development, to prepare separate development plans, introduce and initiate various development packages and evaluate and monitor the different development programmes. Since fifth Five Year Plan (1974-79) separate development plans have been prepared for Uttarakhand and the Central Government is providing about 50 per cent assistance to the state budget for the development programmes of Uttarakhand. In principle, it has been agreed that central assistance to the development plans of Uttarakhand would be on a par with assistance to Himachal Pradesh. However, in provision for the region in the state's budget is low.

The plan outlay allotted for Uttarakhand has been consistently increasing during the past plan periods. The provision of separate budget for Uttarakhand has introduced from the Fifth Five Year Plan period with the plan expenditure of Rs.20.40 billions. It increased to Rs.65.80 billions during Sixth Five Year Plan period (1980-85) to



Table-1

Plan	Expenditure (Rs. Million)		
	Central Assistance	State Plan	Total
1. Fifth Plan (1974-79)	1040.00 (50.98)	1000.20 (49.03)	2040.20 (100.00)
2. Sixth Plan (1980-85)	3500.00 (53.12)	3088.70 (46.88)	6588.70 (100.00)
3. Seventh Plan (1985-90)	6791.90 (55.99)	5339.10 (45.01)	12131.00 (100.00)
4. Eighth Plan (1992-97)	10050.00 (47.74)	1100.00 (52.26)	21050.00 (100.00)
5. Ninth Plan (1997-2002)	12750.00 (28.78)	31550.00 (71.22)	44300.00 (100.00)

Source: Statistical Diary, Uttarakhand Division, 1995, State Planning Institute, Lucknow, UP, and Ninth Five Year Plan, Uttaranchal, Sub-Plan (1997-2000), U.P.

Rs.121.31 billions during Seventh Five Year Plan period and to Rs.2105 billions during the Eighth Plan. For Ninth Plan the proposed outlay is Rs.4430 billions. Similarly, the central assistance for Uttarakhand has increased from Rs.10.40 billions in Fifth Five Year Plan to Rs.100.50 billions in Eighth Five Year Plan and Rs.1275 billions for Ninth Plan. However, in real sense, the central assistance to the total plan expenditure of Uttarakhand declined from 50.98 per cent during the Fifth Plan period to 47.74 per cent during the Eighth Plan period and it declined to 28.78 per cent for the Ninth Five Year Plan Period.

### PAST DEVELOPMENT APPROACHES:

In the past development planning high priority has been given for the development of horticulture diversification of agriculture, development of tourism, animal husbandry, minor irrigation, forestry, soil conservation, development of local resources based industries, augmentation of the availability of various infrastructural facilities like roads, power, marketing and credit facilities and fulfilment of basic needs such as drinking water, medical and health facilities and basic education. The plan documents also emphasize the need for the protection of resources of the region such as soil, water and other natural resources; regeneration of resources and realisation of agricultural potentials by intensive means, effective use of forest resources and human resource development.

The Eighth Plan (1992-97), in addition to continuing these priorities, gave a somewhat more focussed consideration to the issues of environment-tally sustainable development. It emphasised afforestation, scientific management and protection of forests; integrated soil and water conservation; and watershed development. Beside this, the plan also focusses on creating additional employment and income opportunities through diversification of agricultural activities in horticulture, encouragement of pollution free and locally available raw materials based small-scale and cottage industries, and development of tourism sector. It also lays stress on development of infrastructural facilities, on the

one hand, and to take initiatives for linking infrastructural facilities with the economic development programmes, on the other, Human Resource Development, particularly focussing on scheduled castes/scheduled tribes and women, is also considered as an important plan objective.

The Ninth Plan (1997-2002) focussed on providing high priority to the generation of increasing level of employment opportunities and reduction of poverty through developing agriculture sector and accelerating the growth rate of economy with stable prices. It also emphasized for continuing various ongoing development programmes with priority basis, ensuring participation of people through social mobilisation for environmental sustainability, promoting people's participatory institutions and strengthening empowerment of various socio-economically disadvantaged groups of population, such as scheduled castes, scheduled tribes and women.

Further, a review of the pattern of allocation of outlay for the development of different economic and social sectors revealed the fact that relatively higher priority has been provided for the development of agriculture and related activities of rural components upto Eighth Five Year Plan periods. It is reflected by the increasing share of outlay allotted for agriculture and rural development during Seventh Plan (33.53 per cent) and Eighth Plan periods (36.79 per cent). However, the share of outlay allotted during Ninth



Table 2 : Sector-wise Distribution of Outlay During VII, VIII and IX Plan Periods

(Rs. in Crore)

Sectors	Seventh Plan	Eighth Plan	Ninth Plan	Percentage of Outlay of :			
					Seventh Plan	Eighth Plan	Ninth Plan
Agriculture and Rural Development	360.49	774.40	1247.16	33.53	36.53	28.15	
Industry & Mining	43.00	65.50	59.70	4.00	3.11	1.35	
Energy	137.00	265.00	411.00	12.74	12.59	9.28	
Transport and Communication	176.00	297.50	1052.00	16.37	14.13	23.75	
Economic Services, Science, Technology and Environment	22.77	94.08	88.12	2.12	4.46	1.99	
Social Services	297.00	488.00	1340.21	27.63	23.18	30.25	
Welfare of Labour, Disadvantaged population and Social Security	38.24	119.52	110.30	3.56	5.68	2.49	
Special Problems	-	-	121.51	-	-	2.74	
Total	1075.00	2105.00	4430.00	100.00	100.00	100.00	

Source : Ninth Five Year Plan (1997-2002), Uttaranchal Sub-Plan, Uttar Pradesh, Lucknow.

Plan has declined at 28.15 per cent for this sector. Development of social infrastructural facilities such as education, art, culture, medical and health facility, housing, water supply, etc. has been another second most

priority area of development in the past Plans, but for Ninth Plan period significantly highest priority has been provided for developing social sector, as indicated by largest share of 30.25 per cent in the total outlay of Uttarakhand has been allotted for this sector.

However, it is surprising to note that the proportion of outlay approved for developing most productive economic sector, such as agriculture, industry and energy, for which development have been well recognised as the potential sectors for creating employment and income opportunities at larger extent; has declined at significant level during Ninth Plan. In fact the actual amount of outlay approved for developing industrial sector has declined from Rs.65.50 crore in Eighth Plan to Rs.59.70 crore for Ninth Plan, mainly because the Government has withdrawn certain facilities such as margin money loan schemes which were introduced for the development of small enterprises in the region during past plan periods.

#### ACHIEVEMENTS OF DEVELOPMENT GOALS:

In spite of the fact that most aspects find place in the plans, particularly from 1985 onwards, the stated goals of development have remained unfulfilled, and a sustainable pattern of development has not emerged. The problem of unemployment and poverty in the region have persisted; at the same time, inequality in income distribution is seen to be on the increase. The number of job seekers on the live

registers of employment exchanges rose from about 89,000 in 1981 to 2,43,171 in 1991. In the seven years from 1984 to 1991, employment in the organised public and private sector establishments went up only 207373 to 235923 covering only about 4 per cent of the population. The environmental situation has been worsening, as is evident in increasing deforestation, floods, landslides and other disasters.

The major and easily visible lacunae in the planning approaches have been that no consistency was maintained in development programmes; most often the programmes were of a short-term or ad-hoc nature and programmes were also poorly managed in the implementation stage. The most undesirable phenomenon that has come to the surface is that the state assistance and subsidy meant for the development of poor to develop economic activity of their own choice has been often treated as a kind of poverty relief and therefore, instead of developing self reliant and self generating process of development, a dependency culture has emerged. Lack of systematic planning, was further accentuated by inadequate and improper coordination between different government departments involved in different stages of development programmes, scanty attention to the requirements of various infrastructural facilities for sectoral schemes, inefficiency of administration in the implementation of programmes, multiplicity of programmes to meet the same goals and faulty criteria for the identification of beneficiaries in the programmes which were linked with employment orientation,



contributed to the ineffectiveness of plans and programmes to meet their objectives (Mehta 1997). Also, there has been lack of a serious attempts to comprehend the intricate nature of relationship between different component of the hill environment and the issues connected with the development in the region. So, in the absence of a particular concern and lack of an adequate understanding of the problems, the Uttarakhand is more extensions of the plains for all practical purposes. Plans and programmes launched in the other part of plain areas were extended for the region without questioning their relevance and adopting them to the conditions and specific requirements of the region's environment.

#### PROBLEMS IN PLANNING FOR DEVELOPMENT APPROACH:

The basic problem with development plans for Uttarakhand is not the lack of general awareness of the problem of hill areas, nor the lack of sincerity on the part of the central and state planners, but rather the absence of an integrated and region-specific approach to thinking about, planning for, and implementing these development programmes. For instance, environmental protection issues were approached without due regard being given to the needs of the people; infrastructure was developed without much attention being paid to its effective use for local development; and sectoral economic activities were 'promoted' through incentives and subsidies without simultaneously promoting the development of activity

- specific infrastructure and services and inter-sectoral linkages. Adequate recognition was not given to the fact that linkages necessary to the development process do not materialise on their own, nor even easily in hill and mountain regions, as they do and can be expected in the plains. Diversity in mountain areas requires a highly decentralised area - based approach (Papola 1996) which has to be distinct not only from approaches for the plains, but should also differ significantly from area to area within the hill region of Uttarakhand.

#### ALTERNATIVE OPTIONS FOR DEVELOPMENT APPROACHES:

Considering the past experiences of unsatisfactory impact of development programmes, it is necessary to modify the planning strategies and approaches on the basis of geographical, economic and socio-cultural characteristics of the region. Formulation of such area specific planning model for Uttarakhand region has not been practical from either the physical or administrative angles because the region is a small part of Uttar Pradesh in terms of its population and geographical area. This absence of an area - specific approach to development planning for Uttarakhand seems to be the main issue for discontent in the region, and it has given rise to a movement for the formation of a hill state. Leaving aside political interpretations of the movement, campaigners for the separate state argue that a region - specific approach to development will be possible for

Uttarakhand, given its special geographical characteristics, only when the region has a reasonable degree of autonomy to plan for its own development, mere decentralisation is not adequate.

Specific identity of the region and its recognition as separate state was well reflected from the very beginning of formulation of states in India. The concerned issue was also raised before the State Reorganisation Committee in the fifties. In fact, having its different identity, the civil laws applicable here were different during pre-Independence days. The revenue law was also different. There was no Zamindari system as prevailed in the plains. Therefore, when Zamindari Abolition Act of 1950 was passed by the U.P. legislature, it did not extend to Uttarakhand. In fact, a separate and very different law was passed for this area in 1960 which came into force in 1966. The police system was and still is different. Here the village revenue officials (Patwari) have police powers for registering criminal and land related cases and investigating them. At the Government level separate Hill Development Department with a separate Minister Incharge and Principal Secretary/Additional Chief Secretary Incharge has been established and functioning since 1974. Various departments have also been established separately for Uttarakhand at Secretariat level.

In fact, the process of creating a separate state has been underway for some time. On two occasions, once in 1991



and again in 1993, the State Government moved and had adopted in the State Legislature a unanimous resolution recommending separate statehood for Uttarakhand to the Government of India. The Central Government too has also recognized the need for a separate Uttarakhand state, as indicated in the address made by the then Prime Minister on August 15, 1996, which was to the effect that necessary steps would be taken to provide separate statehood to Uttarakhand after consulting the State Government. The State Government, in turn, once again adopted another resolution in April 1997 urging the Centre to create the state.

In the above context of the general realisation of the need for a region specific approach to development planning, and its adoption and implementation in a relatively autonomous framework, that a certain number of propositions could be advanced for an appropriate development strategy for Uttarakhand.

#### NEED FOR AN INTEGRATED APPROACH:

What is therefore, required is an integrated approach to development planning. Such an approach would require integration broadly of two kinds; one, between environment and two, among various sectors and development activities (including infrastructure). Environment is a basic dimension of mountains and therefore, it is an important element in economic development of mountain areas. Mountain regions are ecologically among the most fragile of terrestrial system.

Land, water resources and forests constitute the basic elements of environment, and they are closely linked and interdependent. Development strategies for mountain areas must recognise these facts and plan for the use and preservation of these resources. An integrated approach to development in mountain areas should focus on development without degrading or adversely affecting environmental resources and the ecology of mountain areas. In practice, development should be based on the selection of a pattern of activities which would maximise economic benefits with minimum adverse effect on the environment.

The next step in integrated planning is development of selected activities along with their linkages with other activities, which could be both a prerequisite or a result of their development. Infrastructure development, in general, is important, but that too needs to be integrated with development planning for economic activities. Integrated planning, it must be classified, is not antagonistic or even dependent of sectoral development. In practice, most planning will translate into programmes for sectoral development. What integrated planning implies is that sectoral development is not pursued in a compartmentalised manner. It is not enough to consider co-ordination after sectoral plans and programmes are finalised. What is important is to clearly perceive and plan for intersectoral linkages; and these include linkages with an impact on the environment, while preparing sectoral plans.

The second important consideration is the limited resource based and, therefore, selection of sectors and activities with comparative advantages in those areas. For mountain areas of Uttarakhand, with the constraints imposed by inaccessibility and fragility, do not offer scope for highly diversified development. Therefore, a lead sector(s) approach, based primarily on activities and sectors especially suitable to the resource endowments and comparative advantages, along can work in the Uttarakhand mountains.

28286



## REFERENCES

1. Dhar, T.N., Health and Human Development in Uttarakhand, K.S. Valdia (ed.), Uttarakhand Today, Almora Book Depot, Almora, 1996.
2. Government of India, Nations Policy for Integrated Development of the Himalayas, Planning Commission, New Delhi, 1993.
3. Government of U.P., Eighth Five Year Plan (1992-97), Uttarakhand Development Department, Lucknow, U.P.
4. Government of U.P., Ninth Five Year Plan (1997-2002), Uttarakhand Development Department, Lucknow, U.P.
5. ICIMOD - International Symposium on Mountain Environment and Development; December 1-3, 1993, Kathmandu, Nepal, 1993.
6. Mehta, G.S., Roads and Area Development : A Study in Utilisation and Impact, Indian Journal of Regional Science, Vol.XVI, No.2, 1984.
7. \_\_\_\_\_, ISB Programme in District Almora, U.P., Pande, P.C. (ed.), Rural Development in India Issues and Policies, Anmole Publication, New Delhi, 1990.
8. \_\_\_\_\_, Uttarakhand: Potential of Development; Indus Publishing Company, New Delhi 1996.
9. \_\_\_\_\_, Development Experiences and Options in a Hill Region: The Case of Uttara-khand, U.P., India, Discussion Paper Series No.MEI 97/4, ICIMOD, Kathmandu, Nepal, 1997.
10. Papola T.S. and Joshi B.K., Demography, Ecnomy and Environment in the Deveopment of Hill Areas; in Singh J.S. (ed) Environmental Regeneration in the Himalayas, Gyanodaya Prakashan, Nainital, 1983.
11. Papola T.S., Planning for Environment and Economic Developmnt in Mountain Areas: Issues and Approaches, Discussion Paper No.MEI 96/2, Kathmandu, Nepal, 1996.
12. Shah, S.L., Planning and Management of Natural Resources in Mountains, Yatan Publications, New Delhi, 1986.